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SUMMARY RECORD OF THE 8th MEETING

Chairman:	Mr. PIRIZ-BALLON	(Uruguay)
later:	Mr. GUERRERO (Vice-Chairman)	(Philippines)

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The meeting was called to order at 10.20 a.m.

GENERAL DEBATE (continued)

1. Mrs. AGGREY-ORLEANS (Ghana) said that she fully endorsed the statement made by the Chairman of the Group of 77. The Second Committee had begun to work against a backdrop of global economic crisis which affected both the developed and developing countries and thus underlined their interdependence. That crisis was so serious that world output per capita had decreased by over 2 per cent in 1991.

2. The terms of trade of the developing countries continued to be adversely affected by a fall in the prices of primary commodities accompanied by an exorbitant increase in the prices of the goods and services they required for their development. Moreover, their debt burden was such that the developing countries had become net exporters of capital to the industrialized countries.

3. The World Economic Survey of 1992 pointed out the likely persistence of the crisis unless fundamental adjustment measures were taken. As both the Executive Director of the International Monetary Fund and the Secretary-General in his report on the work of the Organization had recently emphasized, a structural change in the general economic climate was required in order to complement the efforts of the developing countries to carry out their development programmes.

4. The World Economic Survey of 1992 had also found that the 10 per cent increase in the volume of exports from developing countries amounted to only a 5 per cent increase in terms of value due to a fall in average export prices. According to the 1992 UNDP Report, the external debt of developing countries had increased from about US$ 650 billion in 1980 to US$ 1,350 billion in 1990.

5. In Africa, the economic situation was particularly disturbing. The final review of the United Nations Programme of Action for African Economic Recovery and Development (UNPAAERD) carried out by the General Assembly at its forty-sixth session had concluded (resolution 46/151) that the goals of economic recovery and sustained development had not been achieved. In his report on the work of the Organization, the Secretary-General stated that most Africans were poorer today than they had been when their countries achieved independence in the late 1950s to 1960s. Africa was the only region where the number of people living in poverty was likely to increase by the year 2000. It was also the only region of the world whose total debt equalled or exceeded its economic output. That situation was compounded by the drought in southern Africa, in spite of the socially costly economic restructuring measures which many African countries, including Ghana, continued to pursue.

6. In those circumstances, the United Nations should seize the unmatched opportunity presented by the ending of the cold war to discharge its Charter obligation "to promote social progress and better standards of life in larger freedom" and play a central role in international economic cooperation.

(Mrs. Aggrey-Orleans, Ghana)

7. Structural adjustment was essential, but it would be ineffective unless it was accompanied by meaningful debt relief, increased flow of financial resources, more equitable prices for basic commodities and a more balanced international trading system. In that regard, the early conclusion of the Uruguay Round of multilateral trade negotiations assumed new urgency.

8. The New Agenda for the Development of Africa in the 1990s adopted by the General Assembly at its forty-sixth session (resolution 46/151, annex) offered a unique framework for action by both Governments and the United Nations system based on shared responsibility and partnership. In it, the international community renewed its commitment to support the efforts which Africa, for its part, firmly intended to make in order to achieve sustained and lasting development. More than 30 African countries had already undertaken structural adjustment policies and the process of democratization had gathered momentum. The international community, for its part, should implement the commitments it had undertaken under the New Agenda, and the United Nations, which should play a major part in the implementation of the Agenda, should devise specific programmes for action which were consistent with it and should ensure follow-up and monitoring of its implementation. It was therefore deeply disappointing that almost a year after its adoption the New Agenda had not yet been formally launched by the United Nations.

9. It was true that the United Nations system had elaborated a System-wide Plan of Action for African Recovery and Development (E/AC.51/1992/5). That Plan should incorporate a mechanism enabling the bodies and agencies of the system to review their programmes and activities under the Plan - thus enabling the United Nations system to respond to the New Agenda in a more dynamic and flexible manner.

10. The eighth session of the United Nations Conference on Trade and Development (UNCTAD) had ended with the adoption of the "Cartagena Commitment", which took into particular account the needs of the developing countries. It was to be hoped that the recommendations designed to correct major distortions in world commodity markets and to enhance the technological capacities of the developing countries would be implemented.

11. The United Nations Conference on Environment and Development (UNCED) had been a historic event to which follow-up action in the new spirit of cooperation forged after the Conference was urgent. It was essential that the high-level United Nations commission on sustainable development, the establishment of which was indispensable to the implementation of Agenda 21, should be created during the current session.

12. It was also to be hoped that the new spirit of cooperation would mark the triennial review at the current session of the operational activities for development of the United Nations system. That review should lead to the adoption of an approach seeking to integrate programmes and projects of the United Nations system into national development plans.

(Mrs. Aggrey-Orleans, Ghana)

13. Her delegation continued to believe that the United Nations was the appropriate forum for addressing economic and environmental issues and dealing with the challenges which undermined international peace and security.

14. Mr. OULD EL GHAOUTH (Mauritania), speaking on behalf of the member countries of the Arab Maghreb Union, said that he fully supported the important statement made on behalf of the Group of 77 by the representative of Pakistan. At the current session, the task of the Committee would be facilitated by the UNCED deliberations and decisions, by the eighth session of UNCTAD and by the high-level debate in the Economic and Social Council. However, the Committee was meeting at a time when the world economy showed a decline in global production, an unprecedented increase in unemployment, a deterioration of the terms of trade, and monetary instability.

15. The situation was so alarming that the international community could obviously not count on market forces alone for improvement. Indeed, the difficult, not to say painful, structural adjustment measures that the developing countries had been forced to take would not allow them to revive their economies unless they found a favourable international economic environment. It was therefore imperative that growth in the large industrialized countries should be sustained and non-inflationary. Their generally slow growth was actually casting a shadow over the economic prospects of the developing countries. That situation was exacerbated by the trends towards recession and a perceptible weakening of the traditional economic bonds between developed and developing countries.

16. The weakening was nowhere so clear as in the commodities sector. There, prices had continued to fall and protectionist measures had increased, a matter of concern especially to the developing countries most dependent on commodity exports or to the most indebted ones. It was to be hoped that the Uruguay Round of multilateral trade negotiations aimed at setting up an open multilateral system of trade would be concluded as soon as possible.

17. The outcome of the adjustment process in developing countries depended in large measure on access to the markets of the developed countries. The Arab Maghreb Union was convinced in that connection of the need to strengthen its bonds with the European Community. The mutual interests of the two groups and the stability of the Mediterranean region were at stake.

18. As to the external debt crisis, the strategies being followed to solve that problem must be reconsidered and modified as required: the rescheduling of debts from year to year, together with adjustment measures, might improve the financial situation in the short term, but without alleviating the long-term overall burden; and in fact, Africa's outstanding debt was continually increasing and at the current time amounted to more than 236.7 billion dollars. That situation was aggravated by high real interest rates, the unwillingness of commercial banks to grant further loans and the stagnation of official development aid. The statements made in the plenary

(Mr. Ould El Ghaouth, Mauritania)

Assembly by the ministers of the Maghreb States told of the sufferings being endured by hundreds of millions in the African countries. Greater attention must be given to the critical situation in Africa, because such economic recession, such endemic unemployment and such social distress could well lead to political instability.

19. In order to deal with the root of the debt problem, the first task was to improve the position of the financial institutions by making available to them resources commensurate with the objectives, especially at the time of the tenth replenishment of the resources of the International Development Association. In addition, a concerted effort by all parties was needed to raise the overall volume of official development assistance and improve its effectiveness, if the developing countries were to pursue their adjustment policies in a climate of growth. Certainly at a time when the least developed countries and other African countries were moving from an emergency situation to a phase of economic recovery, outside help remained a necessity for them.

20. The drought-induced crisis that gripped vast parts of the African continent was not over, and emergency assistance would still in many cases be needed in 1993. In that connection, the implementation of the recommendations of the Rio Summit, especially the setting up of an intergovernmental mechanism to draft an international convention to combat desertification, would be particularly useful. As to the establishment of a high-level Commission on Sustainable Development, that might provide the appropriate framework for a new global partnership. Thought must also be given to the most effective means of ensuring the integrated application of the whole range of decisions contained in Agenda 21. The signing of the United Nations Framework Convention on Climate Change and the Convention on Biological Diversity by an impressive number of Heads of State and Government was to be applauded.

21. It was clear that the future would depend in large part on the extent of international economic cooperation among the countries of all regions. The member countries of the Arab Maghreb Union would continue to play their part in that process. The promotion of economic integration and the maintenance of the Arab Maghreb Union's stability were indispensable to the realization of the general goals of the United Nations.

22. Mr. TÜRK (Slovenia) observed that a number of new Member States were participating in the General Assembly for the first time, as an outcome of the process of democratization that had put an end to the divisions of the cold war. It was imperative for the international community to facilitate their integration into the world economy on the basis of the principle of the sovereign equality of States. It was therefore vital to support the economic reforms under way in the countries in transition. The world economy as a whole would benefit.

(Mr. Türk, Slovenia)

23. Slovenia, the most developed republic of the former Yugoslav federation, had been the first victim of intervention by the Yugoslav army. Although Slovenia had suffered significantly less from the Yugoslav crisis than had some other republics, it had experienced considerable economic damage and its gross domestic product (GDP) had declined by about 15 per cent. Nevertheless, the Slovenian economy, traditionally export-oriented, mainly towards Western markets, was gradually recovering, and Slovenia already showed a balance-of-payments surplus. A new currency had been introduced in 1991 and the Government attached great importance to stabilization of inflation, which had reached 21 per cent per month. It had begun a process of restructuring and privatization of the Slovenian economy, and foreign trade was already significantly liberalized. His Government was encouraging foreign investment, and foreign companies and banks had already begun to establish themselves in Slovenia.

24. It was significant that two thirds of the country's exports were going to the member countries of the European Community. Slovenia was currently negotiating a trade and cooperation agreement with the European Community, which it hoped one day to join, for historical as well as economic reasons.

25. At the same time, Slovenia wanted to broaden the existing cooperation with the developing countries.

26. The political situation in Slovenia was stable. However, although the economic consequences of the military intervention of the Yugoslav army were slowly being eliminated, the influx of refugees still represented a tremendous burden. In contrast, the economic situation of war-torn Bosnia-Herzegovina and Croatia called for broad assistance from the international community. The same was true of Macedonia, which was not yet a Member of the United Nations and which, although not at war, was suffering the economic consequences of the war being fought elsewhere in the former Yugoslavia. Without international solidarity, those countries would not have sufficient resources to ensure their economic recovery and development at a pace compatible with their integration into the world economy.

27. Many speakers had emphasized the importance of operational activities for development, and the broad support expressed for reforming the financing and governance of those activities would certainly contribute to the adoption of important decisions, possibly during the forty-seventh session. The focus on field activities had proven justified, despite a few problems in coordinating them. Slovenia supported the principles of universality and neutrality applied in United Nations assistance, as well as the grant nature of its operational activities.

28. In the area of development, Slovenia highly commended the outstanding role of the United Nations Development Programme (UNDP), and it was very interested in continuing and strengthening its cooperation with the Programme. To that end, an agreement on cooperation should be concluded as

(Mr. Türk, Slovenia)

soon as possible between UNDP and Slovenia. Such agreements between UNDP and the new States would make it possible to bring those States into UNDP projects or to continue existing projects without interruption.

29. He concluded by noting that, during the cold war, international institutional arrangements had been unable to bring about economic cooperation and integration. Despite the problems of the world economy and, in particular, those affecting the developing countries, political cooperation would increase the possibilities for solving certain basic problems of the world economy. It was in that spirit that Slovenia supported the follow-up activities on the Rio Conference on Environment and Development. In the same spirit, it hoped that the Uruguay Round would yield important results - particularly with respect to the liberalization of trade in textiles, agriculture and services - and that better market access would be granted to the products of the developing countries. Slovenia hoped soon to become a member of all the international economic institutions of the United Nations system, because it was convinced of the vital importance of international economic cooperation.

30. Mr. Guerrero (Philippines), Vice-Chairman, took the Chair.

31. Mrs. DES ILES (Trinidad and Tobago) said that her country fully supported the statement made on behalf of the Group of 77, which eloquently described the crisis in the countries of the South. For more than 10 years, the majority of the world's population had seen a catastrophic decline in its standard of living, accompanied by a breakdown of the social fabric, which threatened both democracy and international peace and security.

32. The debt crisis had reduced the capacity of the developing countries to meet the basic needs of their populations. To resolve it, it would be necessary to find innovative, bold approaches to all types of debts. The General Assembly must continue to play its role in seeking a collective solution.

33. The deterioration of the terms of trade also continued to hinder the economic recovery of the developing countries. In the short term, the effects of the structural adjustment programmes they had implemented had been negative, and she hoped that the Bretton Woods institutions would take a fresh approach that would make it possible to implement social protection measures to prevent any further deterioration of the situation.

34. It was paradoxical, to say the least, that, as soon as the countries of the South had agreed to diversify their economies at great sacrifice, the countries of the North had erected trade barriers to their new products. At a time when the creation of economic "megablocs" loomed on the horizon, the Uruguay Round was at a standstill. The industrialized countries had agreed to take steps to liberalize trade and control non-tariff barriers, but those promises had not been kept. Many now chose to seek solutions outside the multilateral mechanism. The universalization of the General Agreement of

(Mrs. Des Iles, Trinidad and Tobago)

Tariffs and Trade (GATT) had improved the Organization's ability to carry out its mandate to promote international free trade for the benefit of all countries. It was important for the contracting parties to take urgent action to bring the negotiations to a successful conclusion and for the developed countries to improve their coordination on macroeconomic policy.

35. The time had come to follow up the decisions reached by the international community at the Rio Conference. Priority should be given to implementing the activities outlined in "Agenda 21", and the developed countries must fulfil their obligations. For their part, the developing countries would be required to invest substantial resources in order to integrate the issues of environment and development into their national strategies while fostering human development and protecting the most vulnerable segments of their population.

36. In the course of its forty-seventh session, it would be necessary for the General Assembly to establish the Commission on Sustainable Development. It would also be necessary for it to begin preparations for the global conference on the sustainable development of small island States: the global conference on integrated management and sustainable development of coastal and marine areas, and negotiations on the conclusion of an international convention to control desertification. With respect to desertification, she applauded the Organization for its humanitarian assistance to the drought-stricken countries of Africa and hoped that the international community would continue to support its efforts.

37. Mr. KHOUINI (Tunisia) said that his delegation fully subscribed to the statement made on behalf of the Group of 77, of which Tunisia was a member. The major changes which had occurred at international level had promoted the emergence of the true interdependence of nations and the globalization of problems, while stimulating the hope of a better world where the fight against underdevelopment would be a key concern of the international community. Unfortunately, that momentum was slowed by the decline of the world economy and more particularly the economies of the developing countries. Moreover, according to various studies, that negative trend would continue in the coming years if vigorous measures were not taken at national and international levels.

38. Growth was directly linked to international competitiveness and to more open markets. It was also dependent on closer links of cooperation in macroeconomic terms in order to safeguard against world savings being invested in a small number of countries with strong currencies and against continually rising interest rates. The international community, in particular the industrialized countries, had a duty to ensure the growth and stability of the world economy, notably by providing technical and financial assistance to developing countries.

39. As the main factor responsible for the dwindling flow of finance, debt was the major preoccupation of the developing countries. The solution to the

(Mr. Khouini, Tunisia)

debt problem required determined efforts on the part of all those concerned. Tunisia was pleased that new options had been proposed in recent years, but believed that the measures recommended and the results obtained were far from satisfactory. The lasting solution to the debt crisis was necessarily dependent on a global strategy aimed at reducing the principal and servicing on all forms of debt for all categories of debtor countries. It also depended on the adoption of measures intended to alleviate debt, such as debt-for-nature swaps.

40. International trade had grown at an uneven pace, while protectionism and insufficient income from the export of commodities compromised growth in the developing countries. Tunisia called for a strengthening of commercial trade in the context of the international trade order arising from multilateral negotiations and for the developing countries to take part in the decision-making in that respect. The Uruguay Round should be rapidly brought to a close.

41. In Africa, economic growth had not surpassed population growth; no improvement in poverty had therefore been recorded. Tunisia welcomed the adoption of the new United Nations Programme of Action for African Economic Recovery and Development for the 1990s and hoped that it would be supported by the international community. It also attached great importance to an international conference on finance and development, the modalities of which should be settled at the current session.

42. Questions related to the environment and development ranked foremost in Tunisia's economic and social development strategy. In fact, there could be no sustainable development without a judicious policy on the use of resources. However, that question could only be settled on a global scale and should therefore continue to be a major concern of the international community, which had a duty to take all measures to ensure that the decisions taken at the Rio Conference were followed up. In addition, the developed countries were obliged to honour their commitments, to make additional new financial resources available to developing countries and to ensure the transfer of technology on preferential terms. In that regard, Tunisia welcomed the decision to establish the Commission on Sustainable Development and an intergovernmental committee responsible for negotiating the text of an international convention to control desertification.

43. He recalled that Tunisia had already put forward various ideas and proposals aimed at promoting a world economic environment which was more favourable to development and therefore to creating conditions of peace and security for all. According to the Tunisian President, work should be done on concluding a "progress and development pact" between the industrialized and the developing countries.

44. Mr. BURAVKIN (Belarus) pointed out that, over the past year, Belarus, like many States on the territory of the former Soviet Union, had crossed a new frontier in the transition towards a market economy with complete political and economic independence. It had begun to take its place on the international economic and political arena, having been recognized by over 100 States, with most of which it had now established diplomatic ties. The number of countries with which Belarus enjoyed mutually beneficial economic and trade relations was constantly growing. While seeking to maintain and strengthen its relations of cooperation with the States members of the Commonwealth of Independent States, Belarus had begun to institute closer economic and political ties with Europe, with which it was moving towards new economic relations.

45. Belarus would have to take its first steps towards independence in particularly difficult conditions, as the former administrative structures were being dismantled in the context of the tragic consequences of the largest peace-time nuclear disaster, namely the Chernobyl accident. Moreover, the internal and external economic situations were continually worsening. The gross national product of Belarus, which for two years had dropped by an average of 2 per cent, had fallen by an average of 13 per cent over the past eight months. The cost of living had increased four or five times. The cost of energy and other mineral resources, which Belarus continued to import from the Russian Federation and other States of the Commonwealth of Independent States, was constantly increasing. Belarus was feeling the full impact of the negative effects of the breakdown in economic relations in the former Soviet Union and of the Council for Mutual Economic Assistance.

46. The extraordinary possibilities provided by the end of the cold war and the ideological conflict were not being fully exploited. That was naturally enough explained by the stagnant world economy. The logic of the new interdependent and intercomplementary world order was such that it was increasingly crucial for the international community to lend its active support to those States which were in transition to new economic and social structures. In that way, they could accelerate the transition process and limit the social, economic and environmental consequences.

47. As a newly independent State, Belarus had a much greater need of the international community in that it was leading a virtually single-handed struggle against the consequences of the Chernobyl disaster. It was sufficient to say that, in recent years, that had absorbed 25 per cent of the State budget. The genetic inheritance of the nation should be safeguarded, and a safe environment should be created for future generations. For practically the last three years, all the bodies, programmes and specialized agencies of the United Nations had adopted resolutions on international cooperation to combat the consequences of the Chernobyl disaster. A number of those bodies had begun to implement such resolutions: the World Health Organization, Habitat and the UNESCO/Chernobyl Programme, the Economic Commission for Europe and UNICEF. Non-governmental organizations, private individuals and the Governments of numerous countries also deserved mention. However, one could not help but note with bitterness that, during the past

(Mr. Buravkin, Belarus)

year, the activities of United Nations bodies in that area had begun to slow down. The completion of the various projects of the joint cooperation plan were still at the stage of preliminary studies. Internal coordination in the United Nations was inadequate, one reason being the wholly unwarranted hold placed on the establishment of a competent body in the Secretariat.

48. It was clear that a State could not eliminate its budgetary deficit when tens of thousands of roubles were being spent on combating the consequences of a national tragedy. His country was facing the dual task of overcoming the consequences of the Chernobyl disaster and introducing a new market economy in a young democratic State. Parliament had passed several laws establishing the legal foundations for a new economy and a new organization of society. The Government was taking various measures to apply these laws and end the economic crisis, with the aid of the international community. His country was taking part in a process which had been launched in Washington in January 1992. Following the decisions taken in February and May it was now receiving technical assistance from UNDP. In July it had been admitted to the International Monetary Fund and the International Bank for Reconstruction and Development. A cooperation process had also been launched at the European level. His Government now faced the task of coordinating those various strands of international aid and therefore attached the greatest importance to the physical presence of international organizations, including the United Nations, on its territory. As a result of vigorous efforts by the Secretary-General and the Administrator of UNDP, a temporary United Nations/UNDP office had been opened in Minsk. At the same time, his country was doing everything within its power to end the economic crisis and increase its capacity to aid the developing countries, both on a bilateral basis and through the United Nations system. It would therefore be useful to establish a specific fund to finance the aid programme for Belarus as part of its cooperation with UNDP.

49. The scope for development cooperation offered by the United Nations would be considerably enhanced by implementing the principles set out in the Declaration adopted by the General Assembly at its eighteenth special session, in the International Development Strategy for the Fourth United Nations Development Decade, and in the decisions of the United Nations Conference on Environment and Development in Rio and of the eighth session of the United Nations Conference on Trade and Development in Cartagena. The general consensus which had emerged in Rio created possibilities for multilateral cooperation on environmental protection, but they were just that - possibilities. Consequently, the Commission on Sustainable Development and its subsidiary bodies needed to be given the institutional means to develop multilateral cooperation tailored to the needs of all States.

50. The economic and social sectors of the United Nations system and, in particular, the Economic and Social Council, could make a substantial contribution to maintaining peace and security. There was a need to strengthen activities concerning early warning and prevention of developments

(Mr. Buravkin, Belarus)

which adversely affected the economic and social life of countries, regions, and the world as a whole. In that connection, his delegation stressed the value of the proposal made by the Secretary-General in his report on preventive diplomacy that a reinvigorated and restructured Economic and Social Council should report to the Security Council, in accordance with Article 65 of the Charter, on those economic and social developments that might, unless mitigated, threaten international peace and security. Unfortunately, tragic events continued to multiply and the economic and social bodies of the United Nations could not stand aside while present and future generations were threatened by warfare which, although not global and thermonuclear, was none the less bloody and undermined faith in human intelligence and the superior worth of mankind.

51. Mr. AL-HAJRI (United Arab Emirates) said that the end of the cold war provided the international community with an opportunity to pay closer attention to the problems of development and international economic cooperation and to devote more financial and other resources to resolving the economic problems of the developing countries. It was all the more vital to seize that opportunity now that there was growing consensus on development following the disappearance of the political and ideological divisions which had previously been so crucial. It was up to the United Nations to ensure that, in future, political developments were shaped by economic factors, since peace, development and justice were inseparable goals, as the Economic and Social Council had reaffirmed during its most recent session.

52. The beginning of the final decade of the twentieth century had been marked by developments and upheavals which had been highly contradictory in nature. The benefits of the current progress in science and technology remained beyond the reach of hundreds of millions of the world's inhabitants and the global economic environment was reducing the prospects for growth in the developing countries, with indebtedness leading to negative transfers of resources, the industrialized countries closing off their markets through various protectionist measures, decline in the price of the raw materials or manufactured products exported by developing countries, obstacles to technology transfer, and the drying up of appropriate foreign investment. Many developing countries had seen their economic and social situation deteriorate, which in turn affected the world economy and also stability, security and peace.

53. There was a need to review the United Nations mechanisms in the economic and social sectors in order to eliminate duplication between the institutions and programmes responsible for operational activities for development. He therefore welcomed the intention expressed by the Secretary-General in his report on the work of the Organization to focus the forthcoming measures to restructure the economic and social sectors of the Secretariat on research, policy analysis, operational activities and humanitarian assistance. Reorganization must respond to the need to strengthen the role of the United Nations system in international cooperation for development and be based on

(Mr. Al-Hajri, United Arab Emirates)

the principles of the Charter, namely the universality of the United Nations, equality between States and non-intervention in internal affairs. In addition, geographical balance should govern representation on the governing bodies of the various parts of the systems.

54. Efforts to tackle the question of environment and development were opening up fresh prospects for international cooperation for development. In that connection, the Rio Conference had awakened the world to the need for a development process that did not jeopardize future generations. As the Secretary-General had said, it had marshalled political commitment at the highest level and placed the issue of sustainable development at the heart of the international agenda. At its current session, the General Assembly would be establishing the institutional framework for the implementation of Agenda 21, and it was vital that there should be proper geographical and sectoral representation of all States in all the bodies created for that purpose, particularly the future Commission on Sustainable Development and its secretariat.

55. The United Arab Emirates hoped that the Uruguay Round, within the framework of GATT, would be successful. The adoption of unified trading rules was essential for the establishment of an equitable international trade system which would guarantee competition while encouraging the opening up of markets and ending the marginalization of the developing countries in the world economy. In addition, it welcomed the results of the most recent United Nations Conference on Trade and Development, and in particular the Cartagena Commitment containing the principles of a new partnership for development. They also stressed the importance of cooperation between the countries of the South, which was a precondition for their integration in world trade and which would enable them to obtain the best terms for their commodities and would facilitate the revival of the North-South dialogue. Without that dialogue there could be no consensus on questions relating to economic and social development in the world.

56. Although it was a small developing country, the United Arab Emirates had attached great importance to building up infrastructure and basic institutions and the deployment of human resources, while at the same time assuming its responsibilities in respect of international economic cooperation by providing assistance to numerous developing countries, particularly the least developed countries of Africa and Asia. That assistance involved both the implementation of development projects and humanitarian relief in the event of disasters and emergencies.

57. Mr. LONDOALE (Zaire) said that the Second Committee was beginning its deliberations at a time when the fundamental changes which had occurred in international relations were opening up new perspectives, at the same time as giving cause for concern - due, in particular, to military instability, the excessive indebtedness of the third world, a continuing deterioration in the terms of trade, famine, stagnation in development assistance, unemployment, the failure of the Uruguay Round negotiations, and environmental degradation.

(Mr. Londoale, Zaire)

58. In view of the unprecedented discrepancy between policies and economic reality, the international community must establish effective cooperation in order to revive the economic growth of the developing countries and to alleviate their debt.

59. Africa, which would contain a fifth of the world population by the year 2000, had been crushed by a debt amounting to $275 billion, representing 90 per cent of its GDP and absorbing 21 per cent of its income from exports, as against 19 per cent in 1990. The funds absorbed by debt-servicing exceeded the amount the African countries received from new loans. Whatever might be said, the poorer countries were continuing to enrich the more wealthy countries, and Zaire queried the legitimacy of arrangements for the repayment of a debt which continued to increase; furthermore, recession and political instability in Africa had been exacerbated by the customs barriers established by the developed countries, high interest rates and the reluctance of the banks to agree to loans. Only an advisory committee responsible for debt and development, under the auspices of the Secretary-General, might find a lasting solution to the problem. His country supported the efforts made to conclude international agreements aimed at stabilizing commodity prices and to achieve economic integration. In that connection, his country had signed, in June 1991, the Treaty establishing the African Economic Community, whose aim was to promote inter-African cooperation at a time when new trading relationships were being established in Europe and North America. There was a need to strengthen South-South cooperation in order to reinvigorate African economies and to follow up the recommendations of the Economic Commission for Africa in the interests of elaborating the new development strategy for the 1990s, in such a way that it benefited Africa and, thereby, humanity as a whole. Zaire therefore favoured the convening of an international conference on development financing.

60. His country approved the measures proposed at the Rio Conference in behalf of the countries which were protecting their forests, and called upon the international community to make available the additional resources needed to implement Agenda 21 and the related conventions and arrangements.

61. His country was currently undergoing a deep multisectoral economic crisis, which was largely due to maladministration, further exacerbated by riots and looting. In 1991, Zaire's economy had declined by 7.3 per cent, and inflation had increased to 4,500 per cent. Production facilities were totally disorganized, and the external debt was overwhelming. Zaire appealed to the international community for assistance in achieving economic transition. It hoped that the affluent countries would take account of the efforts made by Zaire, Africa and the third world to establish a democratic system and to restructure their economies, and that they would understand that they should extend their cooperation with those countries. The United Nations had a decisive role to play in reformulating a new economic order, particularly with regard to the development of the third world, and it was to be hoped that it would take account of the needs of the countries to which the assistance of the United Nations and the specialized agencies could be particularly useful.

62. Mr. VILCHEZ (Nicaragua) said that his delegation agreed with the statements made on behalf of the Group of 77 and the Rio Group. The efforts of the developing countries to revitalize growth were confronted by closed markets, shortage of capital and foreign investment, the debt burden and restrictions on technology transfer. Armed conflicts and natural disasters served merely to worsen the situation. Underdevelopment and poverty were the main causes of the conflicts now threatening international peace and security. There could be no peace without development and, conversely, there could be no development without peace.

63. Having experienced a long political and military conflict and a number of natural disasters, Nicaragua was more than ever in need of humanitarian, technical and financial assistance. The World Bank had emphasized the difficult circumstances which his country was currently undergoing, so that it had been possible, on a provisional basis, to have access to funds from the International Development Association, while UNDP had granted it the same treatment as it did to the least developed countries, although it was not classified officially as such. His delegation hoped that the international community would take due account of that fact. It would in due course make proposals for obtaining, as a matter of urgency, support from United Nations bodies in order to bring about the country's economic and social reconstruction.

64. In that connection, his delegation regarded as important the restructuring of the economic and social fields now under way, provided that the objectives proposed were given genuinely tangible form. It supported the proposals of the Secretary-General, which would ensure greater coordination between the various bodies. It also welcomed the proposals for reform put forward by the administrations of UNDP and UNICEF.

65. The revitalization of the Economic and Social Council, aimed at eliminating overlapping and at giving concrete form to the objectives of North-South cooperation, would facilitate implementation of the principal aspects of the revised proposal from the Nordic countries and would ensure greater coordination between the Council and the Bretton Woods institutions. That would facilitate channelling official development assistance towards priority activities.

66. Mr. SOH (Republic of Korea) said that the past year had been marked both by favourable developments in political cooperation and by persistent stagnation in the world economy due to the absence of economic cooperation. For the first time since the Second World War, global output had declined: a meagre increase in the GDP of the developed countries had been overshadowed by the deterioration of the economies of Eastern Europe and the former Soviet Union. There had clearly been a detrimental effect on the developing world. Although a 3.2 per cent GDP growth rate had been recorded for the developing countries as an aggregate in 1991, that progress had not been at all geographically balanced. While growth had been strong in East and South-East Asia, there had been virtually no change in per capita incomes in Africa and,

(Mr. Soh, Republic of Korea)

perhaps most ominous, in nearly half the developing countries per capita output had fallen or stagnated during 1991. Economic stagnation of such global proportions had never been recorded in the history of the United Nations. The slow growth of the world economy could be attributed in part to insufficient commitment to market liberalization and transfer of technology. The developing countries were suffering from both the collapse of commodity prices and the low level of foreign aid.

67. On the other hand, it had been recognized that non-military threats to international security constituted a major obstacle to future peace and stability. It was now accepted that a global partnership between rich and poor nations of the world was the only way to address the potential crises of global poverty. Given the current state of the North-South dialogue, that recognition had not yet been reflected in improved ties between developed and developing countries. The fact that expanded trade and financial flows would nurture prosperity for both North and South was too easily ignored.

68. In the case of the Uruguay Round, currently at an impasse, what was needed was political will to accept a compromise, with the understanding that in the end all nations benefited from open markets. The Republic of Korea would participate actively in efforts to bring about balanced and comprehensive results for the current negotiations. In that context, the proliferation of regional economic arrangements was a matter for both optimism and concern. As long as the level of trade creation surpassed that of trade diversion from other countries, regional trading blocs would contribute to global growth. The temptation to resort to protectionism must be avoided, however, and General Assembly resolution 46/145 should be implemented. For their part, the developing countries had made great strides in trade liberalization as the Secretary-General of UNCTAD had observed. The change in development policies implemented by certain Governments in Latin America, South-East Asia and Africa were clearly reason for optimism. Nevertheless, developing countries should continue to attract foreign capital.

69. The United Nations Conference on Environment and Development had drawn long-overdue attention to two interrelated issues of global importance. However, at the same time as highlighting the link between environmental protection and development, it had also uncovered the differences in perspective of the developing and developed countries. By the year 2030, the world's population would have increased by 3.7 billion: food production would therefore need to double and industrial output and energy use in the developing countries would have to increase five times. Both developed and developing nations had responsibilities, therefore, and must recognize the urgent need for action. One fundamental concern was cost. Clearly, the high-income countries would have to play a major role in providing technology and finance for environmental protection. However, as in the case of trade, the benefits would accrue to all the world. The developing nations, for their part, would have to rely on their own resources to implement development policies which took into account environmental protection. All efforts should

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be made to ensure that environmental protection and economic growth did not conflict. Extraneous environmental regulations should not impose undue financial burdens on the developing countries and the newly industrialized economies should be given the opportunity to realize their industrial potential.

70. If the United Nations was to have a substantial impact on the economic and social advances of the future, Member States would need to have the political will to reform the United Nations system. So far, the slow pace of change was disappointing. No noticeable progress had been made in the division of labour between the General Assembly and the Economic and Social Council. Their mandates remained diluted and vague. It was to be hoped that a practical solution would be found during the current session. The humanitarian crises of the past year had demonstrated that the General Assembly could no longer waste time in unproductive debate on a vast array of agenda items. An action-oriented approach to streamlining the Second Committee's agenda must be considered.

71. Regarding operational activities for development, the lack of coordination among subsidiary bodies and specialized agencies had not been adequately addressed. The mere infusion of more funds and personnel would not suffice.

72. The Republic of Korea fully supported the efforts of the United Nations to strengthen its role in the economic and social fields. To that end, it would share the experience gained during the process of its own economic development, inter alia, through the transfer of technology to other developing countries. In addition, it was prepared to continue to provide, to the extent of its capabilities, emergency relief to the victims of natural disasters. Lastly, it was to be hoped that the deliberations of the Second Committee would reflect a commitment to action to that effect on the part of both developed and developing nations.

73. Mr. OKOBI (Nigeria) said that the emergence of new and sometimes tragic tensions had brought out the linkage between peace and security and economic and social progress and human rights. Economic despair and social injustice were among the deepest causes of conflict. The disappearance of competing ideologies and zones of influence meant that all countries must act collectively to create conditions for favourable development and respond to democratic aspirations. Yet, at the same time, disparities had continued to grow within and between nations. The international economic environment remained hostile to the developing countries which, increasingly denied market access, resource flows and foreign investment, suffered from a crushing debt burden, could not obtain the technology they needed and were frustrated by inequities in the world financial and trade system. The decade of the 1990s had begun badly for the developing countries, which had undergone an unprecedented decline in their per capita incomes, and boded ill for the new International Development Strategy. Growth in the industrialized countries

(Mr. Okobi, Nigeria)

was likely to be lower in the 1990s than in the 1980s, which would restrict the expansion of markets because of world economic interdependence. It was hard to see how the many countries which had based their economic development on exports could apply their strategies if world markets, investment and income did not increase, if the industrialized countries did not gain better results and if real long-term interest rates remained high. The Group of Seven should adjust their coordination policies more to the needs of the world economy. The Fourth Development Decade, like its predecessors, risked being lost for the developing countries. The economic transition under way in Eastern Europe and in the Commonwealth of Independent States, the problems facing Africa, indebtedness and shortage of investment in most developing countries, constituted formidable obstacles. The decrease in military expenditures by the major Powers had not yet produced the peace dividend expected, and delays in concluding the Uruguay Round raised the spectre of protectionism which would prevent the development of international trade.

74. The Rio Conference had drawn attention to the significance of development. It was important to begin to implement Agenda 21 and to give to the proposed Commission on Sustainable Development sufficient authority and flexibility. The Conference had emphasized that primary responsiblity for addressing global environmental issues belonged to the industrial countries, which, by sharing their technology and financial support, could help developing countries to meet their environmental challenges while speeding their development. Agenda 21 had created new opportunities for development requiring not only sufficient political will but, more especially, sufficient financial resources, whether Governments decided to achieve sustainable development in a national context or to give clear directions to the United Nations system in a global context.

75. Despite some anachronistic aspects, the end of the cold war had, on the whole, created new openings for economic, social and environmental cooperation, particularly in the area of trade. Therefore, it was paradoxical that, in six years, the Uruguay Round had not yielded the expected results. To abandon the negotiations would stall growth in the industrialized countries and slow down the process of integrating the developing countries into the world trading system. For that reason, the principles of free trade that had served the developed countries so well had to be extended to the protected sectors of agriculture and fisheries. The outstanding issues could not go unsolved any longer, because that would mean the end of the Uruguay Round.

76. Africa remained the most vulnerable factor in the international economic equation. Proposed solutions had not led to sustainable development there. Nor had the traditional recipes for structural adjustment yielded the desired results. International economic distortions were preventing Africa from putting to good use its scarce capital. Africa needed to industrialize, which meant enduring paralysing debt burdens, and to manage domestic demand in order to create the necessary surplus for economic growth. At the same time, the need for democracy in Africa called for massive inflows of development capital from the industrialized countries.

(Mr. Okobi, Nigeria)

77. For developing countries in general and Africa in particular, the most pressing of the many development challenges was the need to promote economic growth, and that required, in addition to solving current problems, which were likely to persist, the adoption of an integrated strategy. Therefore, a fundamental theme of the development dialogue should be the search for solutions at the global level to ensure balanced and accelerated economic growth and development for all, especially the developing countries. Ad hoc measures adopted by the major industrialized countries in response to crisis situations could not resolve interdependent world problems.

78. The debt crisis and poverty represented the two greatest obstacles to economic and social well-being in the majority of developing countries, and the time had come for creditor and debtor nations jointly to find a solution based on debt reduction or cancellation. Poverty was closely linked with indebtedness, and its eradication and the promotion of an equitable international economic system conducive to sustainable development were the responsibilities of all.

79. The United Nations should be at the forefront of efforts to tackle the dire problems facing the planet. Resolution 45/264 reaffirmed the necessity to restructure and revitalize the Organization in order to equip it for the new challenges facing the international community. Any discussion on international development cooperation should be at the macroeconomic level, as the Chairman of the Group of 77 had clearly stated. Neither the industrialized nor the developing countries could stand by while world economic and social development were threatened. The interests and future prospects of all were linked to the recovery of the international economy. As ideological confrontation receded, it was appropriate to reconsider a global strategy for growth, productive investment and development. Persistent imbalances in the world economy were not amenable to solutions based on national policies alone, and a concerted and comprehensive effort and strategy would be required to achieve sustained and balanced growth and eliminate inequities in the world's financial and trading systems and the vicious circle of poverty and violence.

80. The changes that had taken place in many parts of the world were reinforcing the peace and spreading hope and, therefore, prosperity. All countries must unite to develop further those changes and ensure prosperity and survival, without which the democracy called for could only be an empty word.

The meeting rose at 1.10 p.m.